

## Copywriting Portfolio: Blog Post

### How to start a profitable hyperlocal website?

On a pleasant summer evening a group of young people gathered in the dimly lit backroom of Mitch's Tavern for a passionate discussion about a new online venture. The bar room discussion between David Milsaps and his friends took place in the summer of 2007, and in the same year NewRaleigh.com went live. The website was a gift from Milsaps and his buddies to the people of Raleigh. It was created to support localism and perpetuate the unique culture of the growing city.

Fast forward to 2013 and it was finally time to stop publishing New Raleigh. For five years Milsaps and others shared in the endeavor of creating a distinctive voice of the city, and making a discernible impact on Raleigh's downtown culture. New Raleigh quickly attracted tens of thousands of users and succeeded in establishing itself as a go to website. However despite growing readership and local support, Milsaps was unable to convert New Raleigh's influence and leadership into sustainable profit which eventually led to its downfall.

### Why are hyperlocal websites not profitable?

Start-up hyperlocal websites like New Raleigh are driven by passion and noble intentions, but not backed by a sound business model. Founders put all their energy into building content that begets traffic, and when its time to monetize all they do is connect with third party ad servers and wait for revenues to roll in.

Founders of hyperlocal website should know that ad revenue is directly proportional to traffic, and that it is the least profitable source of income for an online publication. Even large publishers like Times, Huffington Post and BuzzFeed have reduced their dependency on third party ad servers such as Google AdSense, DoubleClick, OpenX etc.

Another tried, tested and not very successful monetization option for hyperlocal publications involves creating a promotional space for local businesses and private advertisers. In a blog post entitled **21 things I learnt running hyperlocal news sites**, Mike Fourcher – founder of Center Square Journal reveals that there are many contenders vying for SMB marketing dollars. Companies like Yelp, oodle, Move and Groupon dominate the local advertising market, so it's difficult for new hyperlocal websites to get a slice of local ad revenues.

Fourcher also states that SMBs have a small marketing budget, and they are not comfortable with the idea of risking their meager funds on a new advertising channel. What makes market penetration all the more difficult for hyperlocal publishers is that they lack resources required for deploying a high-performing sales force.

### How can hyperlocal websites out-perform competition?

Although big players like Yelp, Move and Groupon have a strong presence in local market, their dominance is restricted to specific type of service. For example, Yelp is popular as a business directory while Move is a well known real estate website. Hyperlocal publishers can make real impact in the local market, by offering a range of promotional services including: sponsored

content, business directory subscription, banner ads, real estate ads, classifieds and coupon sales.

Offering a wide range of promotional services on one platform, allows hyperlocal publishers to tap into wider cross-section of the target market. However, publishers must also work on enhancing their services in order to out-perform competition.

Life In Hoboken and Down Town Miami are examples of hyperlocal websites which have managed to gain dominance in their respective local markets. These websites were able to side-track competition, by offering greater value in terms of features and benefits. For instance, the business directory on Life In Hoboken offers personalized listing page to subscribers with option to create a full-fledged product catalog, attach downloadable collaterals and showcase latest deals/offers. Similarly, the classifieds section allows users to create beautiful listing page with built-in photo gallery, contact form and comment section.

### **What's the best go to market strategy for hyperlocal publishers?**

Creating a great platform for local advertising isn't enough to bend the revenue graph upwards. In order to get the dollars rolling, hyperlocal publishers need a winning go to market strategy.

In the local market - business directory, classifieds ads and real estate ads are the most sought after promotional services, and publishers face stiff competition when attempting to woo prospects away from established websites like Yelp and Move.

A better approach is to populate your business directory, classifieds and real estate sections by importing listings from Yelp, Move, oodle etc. This way the new hyperlocal website becomes a useful resource for users. And, when the listings become a source of leads for prospects, publishers can then start approaching prospects for paid subscriptions. Sending-out email updates to let prospects know how well their free listing is doing - inspires confidence and eventually leads to conversions.

Sponsored content is the most profitable revenue channel for websites. However in order to offer this service, publishers need to position their website as a strong influencer of public opinion. This can be done by putting out editorial features which talk about local brands.

Reviews, commentaries and opinion pieces involving restaurants, spas or vocational training centers – help in attracting the attention of local SMBs and positions the website as a productive medium for content marketing. And once the website starts receiving PRs and review requests, publishers can then start charging a fair fee for putting out sponsored content

Although sponsored content is a highly profitable revenue source for hyper local websites, publishers need to handle it strategically. This is because putting out too many promotional pieces can lead to disrepute of the website. For more information on sponsored content read [Monetization through sponsored content – Implementation road map for publishers](#)

Medium-sized businesses operating in the local market have a substantial marketing budget, and are willing to spend on high impact advertising. By introducing services like banner ads and deal store, hyperlocal publishers can start catering to high spenders of the local market.